UNITED NATIONS
ECONOMIC AND SOCIAL COUNCIL

Distr.
LIMITED

E/ECA/TCD/10
17 August 1983

ENGLISH
Original: FRENCH

ECONOMIC COMMISSION FOR AFRICA

UNITED NATIONS
TRANSPORT AND COMMUNICATIONS DECADE IN AFRICA

ROUND-TABLE ON AN INTEGRATED APPROACH TO THE PREPARATION AND IMPLEMENTATION OF THE SECOND PHASE PROGRAMME OF THE DECADE

PARIS, FRANCE

21 TO 24 JUNE 1983

SUMMARY OF PROCEEDINGS

A. DATE AND PLACE OF THE MEETING

1. The round-table discussion on an integrated programme to the preparation and implementation of the second phase programme of the United Nations Transport and Communications Decade in Africa was held in Paris, France, from 21 to 24 June 1983.

B. PARTICIPATION

2. The list of participants is annexed to this report.

C. OPENING OF THE MEETING

3. Mr. Pierret, Director of the United Nations and International Organizations in the Ministry of Foreign Affairs requested Mrs. Briot to formally open the discussions.

4. In her opening address, Mrs. Briot, Director of Development Policies in the Ministry of Foreign Affairs, on behalf of Mr. Christian Nucci, Minister of Foreign Affairs responsible for Co-operation and Development welcomed participants to the round-table discussions.

5. She recalled that Franco-African co-operation in the transport sector covered all the different modes and took many forms.

6. Transport played a basic important role in modern ecohomies and particularly in Africa, where the Lagos Plan of Action calls for improved inter-regional transport links.

7. She informed participants that the round-table was an informal meeting in which individuals were free to express their personal views, in accordance with the wishes of the Conference of African Ministers of Transport, Communications and Planning which met in Cairo in March 1983.

8. The competence and experience of the participants augured well for the success of the Round-table. Mrs. Briot expressed the hope that the round-table would indeed be successful and accordingly declared it open.

9. Professor Adebayo Adedeji, Executive Secretary of ECA then welcomed the participants and thanked the Government of France for its constant support of the Transport and Communications Decade in Africa. He pointed out that the first phase of this Decade was coming to a close and the purpose of the round-table was to draw conclusions that could provide a basis for formulating a credible programme for the second phase. The participants had been invited in their personal capacities for their qualities of judgement and their competence in general development and transport matters in Africa.

10. The principal objectives of the round-table were:

- to evaluate the problems encountered during implementation of and the overall results of the first phase programme;

- to examine all feasible means of mobilizing resources for the implementation of the second phase programme;

- to define criteria for determining the viability of transport investments and the relationships between transport and other economic sectors, in light of the objectives of the Lagos Plan of Action, the African Food Plan and the Industrial Development Decade for Africa, 1980-1990.

11. He stressed that the present situation would be examined in the light of the great differences that existed among African countries with regard to development and transport. Although it was difficult to harmonize situations as diverse as these, it was essential to do so, as an efficient transport system was indispensable for development. It ought to be remembered that priority had been given to regional and subregional projects, as well as to those of disadvantaged countries.

12. He pointed out that most African domestic markets were generally small and African countries could only carry out a programme of industrialization in concert with their neighbours, which largely depends on joint development of efficient transport infrastructures.

13. The various items on the agenda took account of these preoccupations. The first concerned an examination of the present situation, analysing its effects on intra-African transport. Then came a critical analysis of the first phase, to start with by mode, and then by type of operation (maintenance, transit, training, co-operation among African countries). With regard to the land-locked countries, the international community and especially neighbouring transit countries ought to take account of their problems.

14. Attention could then be devoted to the problems of choosing modes and technologies, and to the co-ordination of the various means of transport. The problem of energy would be discussed. If a coherent policy of agricultural, industrial and transport projects could be formulated, it would be possible to find economic justification for them; but this would require close co-operation between the countries concerned, and the problem of finding funds for multinational projects would have to be solved.

15. The draft programme for the second phase had not been finalized and the recommendations of the round-table would be useful for its definitive formulation. At the cost of Ministers' request, the report of the Round-table would be sent to all member States before the meeting of Experts to be held before the Conference of Ministers planned for February 1984. The object of this work would be to come up with a programme of manageable proportions.

16. In his address, Mr. M.S. N'Diaye, Vice-President of the African Development Bank thanked the Executive Secretary of ECA and the Government of France for their invitation. He hoped that the efforts made by France in support of the interests of the African countries would serve as an example to the other developed countries.

17. He said that co-operation among African countries required an efficient transport infrastructure whose importance for the development of trade had been emphasized in the Lagos Plan of Action.

18. Mr. N'Diaye congratulated the ECA secretariat on the work done in the first phase of the Transport and Communications Decade, and noted that much remained to be done. He took the opportunity to describe what the Bank Group had done or proposed to do.

19. As at 31 December 1982, the funds allocated in the area of transport and telecommunications totalled $1,068 million, or 20 per cent of overall commitments; that money was principally devoted to projects for the development of the disadvantaged, land-locked or island countries.

20. The Bank Group was fully conscious of the economic difficulties facing most African countries without much prospect of improvement in the economic situation in the near future. That was why a great deal of effort ought to be devoted to promoting economic integration of the member countries in order to free their economies from dependance on the outside world.

21. During the 1982-86 operating period, the Bank Group intended to allocate $1,560 million to transport and telecommunications, i.e. 26 per cent of the total planned budget. In addition, a sum of $155 million would be provided for technical assistance.

22. Indeed, the Bank Group attached the greatest importance to problems of maintenance, training and technical assistance. In particular, it was concerned that technology transfer was such that it could be adopted to the African environment.

23. Many projects initially scheduled in the first phase had been postponed to phase II for lack of finance. It was therefore appropriate to select a number of large regional projects, for which financing was more or less assured, and to concentrate all efforts on their implementation.

D. BUREAU OF THE ROUNDTABLE

24. The Round-table meeting was presided over by Professor Adebayo Adedeji, ECA Executive Secretary; Professor Destanne de Bernis was co-chairman.

25. Mr. Tchouta Moussa, Director of the Transport, Communications and Tourism Division of ECA and Professor de Bernis were designated as rapporteurs of the meeting.

26. The drafting committee comprised the following personalities:

H.E. Mrs. Elizabeth Tankeu,
Vice-Minister for Industry and Planning, United Republic of Cameroon,

- H.E. Commandant Siaka Toure,
  Minister for Transport, Guinea,

- H.E. Engineer Ahmed Shawky,
  Deputy Minister for Transport and Chairman of the Roads and Bridges Authority, Egypt,

- Mr. Boubakar N'Diaye,
  Vice-President of the African Development Bank,

- Dr. Stephan Oduola,
  Co-ordinator of the Research Project on Transportation at the Nigerian Institute of Social and Economic Research,

- Mr. Vincent Hogg,
  Regional Transportation Adviser at the World Bank,

- Dr. Ulrich Stacher,
  Head of the Department for Technical Assistance, Federal Chancellery of Austria.

27. The Round-table considered the documents drawn up on the basis of the following agenda items:

1. Structure of the African international transport system and its effects on African economies.

2. Lagos Plan of Action: adaptation of an African transport system to the objectives of the Plan; strategy and objectives of the Decade. Particular problems of inter-State links and access to the sea for land-locked countries.

3. Evaluation of the implementation of the programme of the first phase. What lessons can be derived from the preparation and implementation of the programme?

4. General presentation of and discussion on the programme of the second phase, with regard to the objectives of the Lagos Plan of Action and to the global strategy of the Decade as defined by African Ministers:

(a) by mode of transport
(b) by function:
  - opening up of land-locked countries
  - inter-State links: difficulties for their economic justification (because of the impossibility to forecast traffic)

5. Problems in the choice of technology and modes of transport; objectives, constraints and profitability.

6. What must be done in future?

The link necessary between transport and new activities. Negotiated development planning.

7. Exchange of views on the determination of priorities, justification and co-ordination in the prospective search for financing.

INTRODUCTION

28. In the course of the preparation of the programme for the second phase of the Transport and Communications Decade in Africa, it became evident that it was first of all necessary to draw conclusions from the experience acquired during the preparation of the programme of the first phase, its funding and execution. It was considered that the programme for the first phase had not left room for consultations on a wide enough scale between all the parties likely to contribute to its funding and execution. This led to the idea of a Round-table discussion to which would be invited people chosen on an individual basis for their skills and their knowledge of the problems of African development in general and of transport in particular.

29. The Round-table met in Paris, France from 21 to 24 June 1983 on the invitation of the Government of the French Republic. It was attended by 66 persons (see list of participants annexed to document E/ECA/TCD/9).

30. The objective of the Round-table was to exchange opinions with experts on:

- the objectives and strategy of the Transport and Communications Decade in Africa and on its consistency with the Lagos Plan of Action,
- the results of the programme of the first phase and the lessons to be drawn from it,
- the methods and guidelines for the preparation of the programme of the second phase, with regard to the relevance of the projects submitted and their presentation,
- the financing procedures that could permit better availability of funds for the execution of the programme for the second phase.

31. The discussion in the Round-table was restricted to the land-transport modes of the programme for the Decade.

D. ACCOUNT OF PROCEEDINGS

Agenda Item 2

32. Mr. Percy Mangoaela presented ECA document DEC/TRANSCOM/RT/1 entitled: "The structure of the international transport system in Africa and its impact on the African economies". The transport system had been originally designed as a means of transporting raw materials outside the continent, and consequently it had not contributed to the economic integration of Africa. The road and railway networks were very sparse. In order to reverse this outward-looking trend, it was necessary to build major trans-African highways since it would be very costly to interconnect the railway systems in view of the specific problems involved (track gauge, rolling stock). The African share of maritime transport was only marginal. Port capacity, though adequate, was seriously handicapped by operating problems. River transport was not much used in Africa in spite of its substantial potential. Multimodal transport was a possibility for the future, but it would have no immediate impact on African trade. Intangible barriers created notable difficulties for inter-State links.

33. Consequently, intra-African trade still remained at a very low level, there was little tourism between the African countries, and, due to the lack of appropriate means of transport, projects for the manufacture of agricultural inputs aborted as did any industrial project on a supranational scale.

34. Mr. Louis Gelineau presented the paper he had prepared on this same subject. Transport difficulties in Africa arose both from operation of the present system and from its structure (separate networks, without interconnections; the absence of cross links; and the lack of alternative routes for land-locked countries).

35. Mr. Lamine Fadika, Minister for Marine Affairs of the Ivory Coast, considered that multimodal transport had a very important role to play in countering the balkanization of Africa, and expressed his complete agreement on the facilities to be made available to the land-locked countries. With regard to sea ports, he felt that they were essential for the African economy (they created industries and miscellaneous activities). Despite the difficulty of making coastal traffic pay in Africa, the Economic Community of West African States (ECOWAS) had come to the conclusion that it was necessary to constitute a fleet, and this would be a factor in south/south solidarity. The necessary long-term changes to the structures of African trade should not lead to overlooking the fact that long-distance sea transport remained indispensable in the short term. He urged African countries to pool their efforts in the field of sea transport.

36. Mr. Adama Diagne, Secretary General of the Union of African Railways, emphasized the risks of confining the discussion to general statements. The real problems had to be raised: what had we found at the time of independence and what had we done about this? The existing system

had corresponded to the objectives of the colonial situation. Since then, the task had been to transform the transport system in order to transform the economic system. It was essneital to create conditions such that Africa would no longer be organized just for the export of raw materials.

37. Economic space had to be reduced in order to make it coherent. The transport system Africa had inherited had become technically obsolete and it would have to be changed completely. Instead of sea transport directed towards the outside world it was necessary to develop internal transport. The real battle was over transport.

38. Africa had shown its capacity to use the latest techniques, but was far from having exploited all the technical potential. In particular, road transport had been organized at the expense of rail, and account had not even been taken of the cost of the oil bill. In the end, none of the transport modes had been used in accordance with its capacities. This had led to corresponding increases in the cost of transport.

39. The objectives of the Decade should be improved to bring about an end to both the outward-looking pattern and inefficiency of the transport system.

40. The transport system ought to be international; this was where the regional groupings could play an important part. For this, it was necessary to organize a real planning mechanism for the whole of the transport system.

41. Mr. Vincent Hogg of the World Bank emphasized that the transport system was not just linked to the existing physical reality, but that it depended on a series of political decisions. The question was therefore to what extent these decisions matched the needs of the situation (co-ordination between transport modes, control over road access).

42. Particular importance should be attributed to the differences between the public and private sectors. The importance of access to capital, and consequently of interest rates, must be emphasized, especially when preferential interest rates are offered.

43. Lastly, it was not enough to talk about the need to encourage intra-African trade. We should know what programme ECA had for this.

44. Mr. Lennard Nkhata of Zambia, thought that physical integration of Africa was possible, and he quoted the example of his country. He suggested that the order of priority should be modified in the light of the first phase and that a timetable should be laid down for each of the priorities to be carried out successively. He quoted the example of Zambia: the first five-year plan gave priority to access to the outside world, the second phase to links between Lusaka and the main provincial cites, and the current plan gave priority to secondary roads with a view to promoting agricultural development.

45. Professor Destanne de Bernis recalled that any analysis of a situation had to be done from implicit models on which it was desired to construct the future. On that point, he had four questions to ask on Mr. Mangoaela's paper. He mentioned only the first three:

(a) should we be thinking about Africa as a whole, or about a subregional scale, taking into account links between the subregions?

(b) a self-determining and self-centred modal has to be selected before objectives are set up in the field of transport;

(c) we cannot select a model for transport without first having defined an underlying social model (public transport or private vehicles, four-wheeled or two-wheeled vehicles);

(d) the main problem is how to integrate transport into development as a whole. Why have the efforts made in transport in Africa had so little effect on development?

- A transport system can very easily destroy the economy of a reginn if it permits it to be invaded by products from the outside; a transport system can modify the scale on which self-sufficiency in food takes place; and above all, a transport system has no effect on its environment if care has not first been taken to set up the industries upstream that will be required for manufacturing the inputs used in the transport system. It is not just a question of reducing costs. We all know how important are the series effects of mechanical engineering and metalworking on the productive sectors as a whole.

46. Dr. Sheka Kanu, Minister for Development Planning of Sierra Leone, thought that there were many goods that could be traded between African countries, but for this it was necessary to extend the national networks. He emphasized the importance of Freetown, whose situation was such that it could serve a wide area of Africa at less cost.

47. Mrs. Elizabeth Tankeu, Vice Minister for Industry and Planning of the United Republic of Cameroon, stated that the national economic operators should acquire control over the transport system. This control should help to restructure the industrial activities that it would be possible to create upstream of the transport system. She said that to create these industries would initially require an increase in imports. She emphasized that these imports would encourage recovery in the economies of the North, which showed how interdependent the North and the South were.

Agenda item 3

48. Mr. Mangoaela presented document DEC/TRANSCOM/RT/2, entitled: "The Lagos Plan of Action adaptation of an African transport system to the objectives of the Plan; strategy and objectives of the Decade; particular

problems of inter-State links and access to the sea for land-locked countries. He explained that the Decade had begun before the Lagos Plan had been worked out, and that consequently the objectives of the former were included in it. The document stated, among other things, that the physical conditions on the principal corridors were so bad that it took several months for goods to arrive from the coast. He emphasized the need to provide Africa with a network of transcontinental roads. Mr. Gelineau presented the corresponding document he had prepared. This essentially underlined the problem of the size of the markets necessary for a new industrial activity to be set up. The feasibility of a transport system thus seemed to him to be determined by the policy adopted for economic integration in Africa.

49. Mr. Hogg suggested that during the second phase of the Decade the number of arteries providing access to the outside for the land-locked countries should be limited.

50. Mr. Thomas Weiss of the United Nations Conference on Trade and Development (UNCTAD), drew attention to the increasingly difficult situation of the land-locked countries. The possibility of giving absolute priority in the next five years to regional and transit projects should be studied. He emphasized the imbalance between investments in new infrastructures and projects for training and improving management efficiency.

51. Dr. D.T. Sakho, Deputy Secretary-General of ECOWAS, said that it was not one of the purposes of the Roundtable to discuss the objectives of the Lagos Plan of Action, and that it would be better to examine in detail what had to be done to adapt the existing transport system to these objectives.

52. Mr. Diagne, considered that they should not be content with patching up a system that did not answer the needs of Africa. Its restructuration was inevitable.

53. Mr. Amboroise Foalem Secretary General of the Central African Customs and Economic Union (UDEAC) was worried about the difficulties of financing the projects adopted. He thought that the essential task was to adapt what already existed to the objectives of the Lagos Plan of Action. The question was how to do this most effectively.

54. Professor de Bernis then tried to make a rapid summary and to draw the first tentative conclusions of the discussions of the day as a whole.

55. He considered the discussion on agenda items 2 and 3 together. Analysis of the prevailing situation highlighted a series of interactions between different phenomena and this very fact led to a number of real chain reactions.

56. Intra-African transport was insufficient, while there remained numerous products to be transported. In addition, the whole of the existing transport system was outward-looking, which led to a cumulative mechanism of extraversion.

This being the case, it was essential to recentre the transport system; the present situation, i.e., the need to provide maintenance and the necessary adjustments, could not be ignored. This seemed all the more true when it was borne in mind that initially it had been emphasized that the effort necessary to reach the appropriate equipment level would cause imports to increase, which would imply making the international transport system more efficient.

57. In the review that had been made of the present situation, four main groups of questions had been raised which would affect the way future problems would be tackled:

(a) Whether one reasons in static-dynamic terms in short-/long-term terms, all the speakers had emphasized the fact that the two approaches were indissociable. To achieve the restructuration of the present transport system in terms of the long-term objectives of the Lagos Plan, it was necessary to adapt the existing system to these objectives;

(b) Rail, road and sea transport are not mutually exclusive but complementary; each had special advantages and cost structures (the cost of energy and the energy crisis had been emphasized). These were interpreted in the form of optimization calculations. These calculations should be in line with the strategy selected for the Decade.

(c) It had been said that there was a case for reducing the economic space in order to create coherent space. This question leads to account being taken of both the unity of the African continent and of its subregional focalization.

(d) Much had been said about policies: transport structures do not result only from technical considerations but also from policies.

58. The discussion had thrown light on the reciprocal impact of national and international policies.

59. With regard to local policies, the question of the co-ordination of the different transport modes and control over road access had been raised. Emphasis had been laid on the different roles played by the public and private sectors, which came back in another way to the choice of a social model. The importance of monetary and financial policies had been underlined (and in particular interest rates). But, at the same time, the question arose of whether there was an African policy for international trade. And conversely, participants had noted the need for national operators to have control over the international transport system. This statement confirmed the idea that extending the infrastructures could have different effects on the different regions, which made the need for plurinational concertation all the more pressing. When these policies are analysed, we necessarily come back to planning. Africa had considerable experience of planning, country by country, but there had not so far been planning at African level. The continental transport system would never be transformed without such planning.

60. This raised questions of deadlines and of how ambitious the objectives should be. It should have its impact on fares, but it should also extend into the planning of human resources, which brought us back once more to the general problems of development.

61. In conclusion, he raised two questions only:

- One participant had said: "Have we transformed the transport system to transform the economic system?" This question does not only concern the past; it affects all the discussions we shall have to develop.

- The problem of interdependence between the North and the South had been touched on very clearly in the next session; it recalled what had been said in 1974 on the new international economic order: the effort to create industries upstream of transport will have positive effects in the developed countries, which will help to relaunch their economies.

This interaction among the equipment industries would do more to encourage dynamic interdependence that any other manner of sharing out activities between the North and the South, and this is bound to influence favourably the provision of the necessary funds.

Agenda item 4

62. Mr. Mangoaela presented document DEC/TRANSCOM/RT/3 prepared by ECA entitled: "Evaluation of the implementation of the programme for the first phase". He firstly outlined the history of the preparation of this programme, emphasizing that it had been necessary to put it together very quickly, which was the reason for numerous imperfections; the small number of regional and subregional projects, and inadequacy in the designs of certain projects, among other things, have been referred to. It was, in fact, a general-purpose programme, without detailed justification. He then examined the programme under several different aspects. Firstly, with regard to the strategy objectives:

- the desired priority for projects having a regional or subregional impact had not been respected;

- there was no project concerning co-ordination of the different transport modes;

- with regard to outside access for the land-locked countries, apart from the UNCTAD projects, it was difficult to find any that were seriously based;

- certain projects concerned the elimination of intangible barriers between States;

- there were some projects for training, in the context of the promotion of local resources (manpower, materials, etc.); these concerned schools (railway personnel, marine and civil-aviation staff); and one only for the promotion of an African industry; for community manufacture of rail trucks.

63. With regard to the provision of funds, it had been agreed to hold technical meetings and consultations between lending organizations and African countries to encourage dialogue, but without formal commitments; the results had been generally encouraging.

64. He emphasized the problem of the difficulty of financing regional and subregional projects.

65. Then he analysed the financial results, mode by mode, of the whole programme for the first phase. The financing obtained amounted to about 40 per cent of the total cost, of which only 25 per cent came from external sources.

66. Mr. Mangoaela then attempted to draw conclusions from the modest results of the first phase in order that they might be used in preparing the programme for the second phase. These were:

- good criteria must be drawn up;
- the programme must be presented with greater care;
- a precise timetable, with clear objectives, is necessary;
- the African Governments must expect to finance a considerable proportion of the programme.

67. Summing up, he said that the first phase had not matched African aspirations, to a large extent probably because the programme had been too ambitious.

68. Mr. Gelineau, speaking on the same subject, made some suggestions. First, he raised the question of what purpose was served by classifying a project in the action programme. Then, in view of the diversity of the proposed operations, he suggested that transport and communications projects could be managed separately. Apart from the classifications proposed by ECA (by sectors, priorities, nature), he suggested other possible criteria: by routes, objectives or functions.

69. With regard to the time factor, he thought that this was something to take account of, though not in too strict a manner. He emphasized the very great volume of the programme, and the need to reduce it.

70. Mr. Diagne then proposed a method of procedure, which was to examine successively: evaluation of objectives, the number of projects, their classification, their financing.

71. Mr. Semayano Kiingi, Secretary General of the Preferential Trade Area for Eastern and Southern African States said that transport was not an end in itself, and that it was necessary to compare the traffic induced with the investment made. He emphasized the danger of investment that served little purpose, which increased the burden of external debt. Of course the countries wanted an intra-African transport network, but it was

also quite normal that the countries should defend their own domestic investment programmes: and in any case, only countries that had a healthy economy could export. The relationship between traffic and investment must be considered.

72. Mr. Hogg thought it would be interesting to compare the present African transport situation with what it was before the Decade: had loads increased or diminished, for example? He noted that most of the financial effort had been made by the African countries themselves, and wondered what general contribution the international community was making to the development of transport in Africa.

73. Dr. Sheka Kanu replied that it was obvious that there had been an improvement in transport since 1978 (new roads and railways). But over the period between 1978 and 1983 there had been a steady decline in Africa's overseas income, which explained why its financial participation was decreasing, especially as the cost of tools, spare parts and equipment had increased at the same time: the capacity of the African countries to maintain their infrastructures had therefore suffered considerably.

74. He thought that the reason why States had given priority in their choice to domestic projects was that their systems were very poor to start with, and that it was vital first of all to provide service to urban or rural zones that were disfavoured; especially as the international links cost much more, and these required a greater financial contribution from outside.

75. With regard to the justifications required by the financing bodies for the creation of new communication routes, he thought that this was a "which comes first, the chicken or the egg" situation. In view of the fact that virtually no statistics existed in Africa, he considered that the financing bodies should instead base their judgements on the results obtained when a new road was built: in general, the traffic was two or three times as great as had been forecast.

76. Dr. Sakho thought that it was because the programme had not been drawn up on a rational basis that he expected finance had not been obtained. In his view, there were four reasons for this failure:

(a) insufficient account had been taken of the time factor;

(b) the priorities had not been respected;

(c) there was a disturbing lack of balance in the breakdown of profits by country and zone;

(d) and lastly, the attitude of the financing bodies, which prefer bilateral relationships. On this point, he emphasized that the subregional partners should be regarded as suitable organizations to deal with.

77. Mr. Diagne replied to Mr. Hogg's question on how the transport system had developed. In his view, the situation had improved, but the

deterioration in the terms of trade had led to under-use of the means of transport. To solve, for example, the problem of spare parts (cost in foreign currency, slow delivery), he thought that industries would have to be created to supply the new transport facilities.

78. He considered that the objectives of the Decade corresponded to real needs. But since the developed countries had been unwilling to deal with the subregional and regional organizations, the African States had had to adapt: hence the principle of consultative technical meetings. But while the African countries have adapted, the financing bodies have not: for, presenting a multinational project results, right from the start, in a cascade of legal problems, which leads to additional delays.

79. Professor Adedeji made the point that the Decade had started out with a misunderstanding: the countries had thought that they would receive special funds, over and above the sums set out in the national development plans. He added that ECA had to take account of the sovereignty of the member States. He then emphasized the difficulty of evaluating what had been done: should it be measured in terms of a number of kilometres or ships? With regard to efficiency, it was hard to make a judgement: at the beginning, no one knew what investment would be necessary. Taking into account the first phase projects that were not in the national development plans, it was impossible to say how much had been invested in transport in general. The amount of national resources was limited; they consequently had to be used in the most cost-effective way possible. He drew attention to the unwillingness of donors to finance maintenance projects. Perhaps in the future ECA could carry out a study to determine the total amount of the investment funds devoted to transport in Africa.

80. Hon. Henry Limihagati, Deputy Minister for Communications and Transport of the United Republic of Tanzania spoke about the energy crisis in his country, where the purchase of petroleum products took up 70 per cent of the available foreign currency. He emphasized the absence of a clear transport policy in Africa. In his view, Tnzania could not do otherwise than give priority to its national development plan. And he thought that ECA should be given resources that would enable it to take the initiative for regional projects. He felt that there should be fewer projects, but they must be good ones.

81. Mr. Vincent (EEC) made some comments of his own on the Decade. Its principal service, he thought, was to have encouraged a certain degree of co-ordination. He thought it amazing to speak of rehabilitating infrastructures built less than 20 years ago.

82. With regard to the objectives of the Decade, it was perfectly understandable that the colonial network should have to be adapted to the new realities. He raised the question of the complementarity of means of transport, and pointed out that 20 per cent of CCCE funds had been allocated to regional projects, and ECOWAS had for instance received some of these. It was only necessary to obtain the counter-signature of at least two African States; but were not the African States themselves somewhat reluctant about this?

83. Mr. Hogg used the example of Nigeria to demonstrate that it was possible to increase the traffic on a railway without a ruinous level of investment, just by improving productivity. Thus an unnecessary increase in investment could be avoided, by improving the quality of the planning, management and co-operation. In his view it was essential to redefine aid and technical assistance.

84. Dr. Cheke Kanu felt that the transport systems could give better results in their present state. He demonstrated by a practical example how difficult it was to maintain roads in a humid tropical zone, and how much this cost. In his view, maintenance was just as important as new construction, if not more so, and the national systems were just as important as the international ones. He seemed to regret the disappearance of the railway in his country, in view of the very high cost of maintaining roads.

85. Dr. Cakho noted that none of the participants had made a generally negative assessment of the first phase programme. For the international projects, he pointed to the fact that the participation of the African Development Bank had been small, and mentioned the creation of a subregional fund for maintaining roads in West Africa.

86. H.E. Daniel Ngwenya, Minister of Roads and Road Traffic of Zimbabwe, considered that the difficulties of transport in Africa arose from its structure, which was contrary to the objectives of the Lagos Plan of Action, and from the fact that friendly countries had perhaps not been made aware of the importance to them of helping the countries of the South. In the first phase, the African countries had submitted a long list of projects, which were often unrelated to the objectives that they had themselves underwritten; it seemed to him that the same thing was happening in the second phase. In his view, it was desirable to make the best use of the available infrastructures, improving and co-ordinating them: this operational aspect of transport seemed to him very important.

87. He proposed that ECA should examine the projects to see whether they matched the priorities and the overall strategy; it should try to persuade countries whose projects did not correspond to these objectives to withdraw them. Two priorities could be created: on the one hand the projects that corresponded to these objectives, and on the other those that did not. But it would be desirable for those that did not match the objectives to be simply withdrawn.

88. Mr. Mkhata thought that the programme would be more successful if there were better follow-up of its execution. Such follow-up would provide better information about what was holding up execution, which would make it possible to correct the situation. For this follow-up, ECA could use a system of annual reports.

89. Professor Adedeji recalled that the purpose of this examination of the programme for the first phase was to learn the lessons of the past four years, so that the same mistakes would not be made in the second phase. He emphasized that it was important for all of us to share our experience and to exchange our different points of view.

Agenda item 5

90. The Chairman opened the session and called on Mr. Tchouta Moussa, Director of the Transport, Communications and Tourism Division of ECA.

91. Mr. Tchouta Moussa presented document DEC/TR/HCCOM/RT/4 issued by ECA and entitled "presentation and discussion of the programme for the second phase". He reviewed the content of this document under four principal headings:

(a) Preparation of the programme

92. He first of all gave a rapid historical review of the work of preparing the programme, starting with the Conference of Ministers in March 1981 and ending with the Cairo Conference of March 1982. On this occasion, he emphasized, the projects were not those of ECA but directly of the member States themselves.

(b) Presentation of the programme

93. This programme included some 1,300 projects valued at a total of $31 billion, including 742 transport projects costing $27 billion. He recalled that the terms of reference of the Roundtable were limited to land transport, excluding intercontinental maritime transport and air transport.

94. Presentation by mode showed that road projects were in a majority Priority 1 (regional projects, subregional projects and national projects having a subregional projects and national projects having a subregional impact) was concerned primarily with road projects. The programme was also presented by project nature (studies, training, equipment, construction, maintenance, etc.), and by country and cost, in order to assess the ability of the country to bear this financial burden.

(c) Analysis of the programme by mode

95. Mr. Tchouta Moussa said that all the projects presented conformed to the overall strategy and objectives of the Decade, but that for most of the modes they did not cover all the objectives laid down.

(d) Analysis by function

96. It had been said that in general the great majority of the projects were intended to improve the present transport system. Of the restructuration projects, 130 were for access to the outside world for the land-locked countries.

97. In conclusion, Mr. Tchouta Moussa emphasized the lack of coherence and realism in this programme from a cost point of view. There was serious inbalance in the programme presented, since priority 1 only represented

5.1 per cent of the whole programme. This Roundtable would permit the preparation of certain recommendations that would facilitate finalization of the programme to be submitted for the Ministers' approval at Conakry in February 1984.

98. Mr. Golineau then presented the document he had prepared under the title "Overall presentation and discussion of the programme for the second phase in relation to the objectives of the Lagos Plan and the overall strategy for the Decade." He drew attention to the rail projects, 22 out of 54 of which were solely concerned with the operation of the present transport system, with the object of improving it and not restructuring it. He grouped together the problems connected with access to the sea for the land-locked countries under three headings:

- The right of access to the sea required agreements between the coastal and land-locked countries;
- Guaranteed access to the sea or the existence of alternatives routes;
- The cost of access to the sea was strongly influenced by current fare policies.

Mr. Golineau then noted the difficulty encountered by the experts in demonstrating the cost-effectiveness of the inter-State links since there was no way of predicting future traffic with certainty.

99. Professor Adedeji then asked a few questions:

(a) To what extent could ECA draw conclusions from the past four years and take account of them for the second phase?

(b) To what extent did the programmes correspond to the objectives of the Transport and Communications Decade and of the Lagos Plan of Action?

(c) To what extent can the directives issued by the Cairo Conference be applied in full for finalizing the programme for the second phase? Were there still some gaps?

100. Mr. Van de Laar (the Netherlands) thought that a challenge had been made to the donor countries taking part in the discussion, in view of the great complexity of the problems. The object of his comments was to seek practical solutions. He thought that the programme called the Decade was neither coherent nor complete, but it was selective, and any analysis of the project tended to make a partial interpretation of the problems in Africa. He deplored that the criteria for rejecting projects, as recommended by the Cairo conference, tended to break the united front of Africa under the aegis of ECA. In his opinion, no general agreement could exist.

101. Mr. Van de Laar expressed the hope that ECA should try to summarize the principal obstacles encountered and should isolate investments trends and criteria for measuring their efficiency.

102. He recommended that ECA should prepare an urgent plan for maintaining existing investments and defending the regional projects.

103. Dr. Sakho estimated that the role of ECA was not only to assemble projects, but above all, to co-ordinate them and to cause resolutions to be adopted. He hoped that the programme for the second phase would be revised since at present it was unrealistic. It was more ambitious than the one for the first phase which had only partially been implemented.

104. Professor Adedeji then commented that the ECA secretariat was not passive, and that ECA's work had not yet begun with regard to finalizing the programme. He said how perplex ECA was in that a project that was important for the national development plan could be considered not in conformity with the Lagos Plan of Action. With regard to the contributions by certain participants, he considered that it would perhaps be desirable for the programme for the second phase to be presented in two separate volumes. The first volume would include the projects that were approved and conformed to the directives of the Cairo conference; the second volume would include projects not approved. In the same way, a special volume could be prepared for the original and subregional projects and another for the national projects.

105. Doctor Chedly Ayari noted that for years overall plans for overall projects had made little impact in the countries, and that the projects arriving at BADEA did not correspond to what had been developed in the regional organization. He wondered about ECA's role, which had a political job to do. He thought that the efforts should be concentrated on areas such as general organizations, allocation of resources, major projects, maintenance, recurring costs. He thought that the financing institutions could be motivated on subjects like the opening up of Southern Africa or the Sahel to the sea. With regard to the major routes, it would be wise to isolate those portions on which it would be possible to arrive at a favourable decision. He lastly emphasized the important role played by the State Planning Directors in the negotiations of the financing bodies. He suggested that ECA should make contact with the African financing bodies or those active in Africa such as BADEA.

106. Professor Adedeji recalled that ECA could impose nothing on its member countries which in the manner of their co-operation with the financing institutions should not ignore the objectives of the Transport and Communications Decade.

107. Mr. Diagne said that he hoped the programme to be prepared in 1984 would be different from that of 1979. Firstly, this programme should aim at making the existing system efficient and the projects should be classified by objectives. He noted that the consequences of inefficiency was still more serious in the land-locked countries.

108. General Engineer Merlin suggested that regional and national projects should be presented in two separate documents. He felt that it was necessary both to undertake large-scale projects with the object of integrating the African economies and of improving the existing system.

109. He thought it would be useful to make a clear distinction between the short, medium and long term and to allocate resources between the three terms.

110. In the short term, only small sums would be required, but they could have a substantial impact on the training of workers and administrative staff, or for maintenance.

111. In the medium term, it would be necessary to modernize the existing infrastructures and equipment, to lay down liberal regulations for internal transport and to lower intangible barriers.

112. In the long term, it would be necessary to define projects which though expensive were justified by careful economic studies.

113. Mr. Merlin also emphasized the need to pinpoint the demand for passenger and freight transport over given geographical corridors before selecting the transport mode. In this selection, energy costs were of paramount importance and care should be taken not to base the argument on excessively long routes.

114. In conclusion, Mr. Merlin suggested that the projects should be classified into two categories:

(a) Traffic improvement programmes requiring investments at medium term, where the traffic already exists;

(b) Traffic development programmes aimed at opening up new prospects for Africa in areas where the existing traffic is small, and for which there are firmly based justifications.

115. Mr. Cisse Aly Bocar then spoke on behalf of Major Cisko Toure, Minister of Transport of Guinea, who was unable to be present. He expressed his satisfaction with the efforts made by the States, the subregional organizations, the African community, as well as the developed countries.

116. He regretted that the programme for the second phase was too ambitious and that certain subregional projects were inconsistent with the national projects.

117. Mr. Cisse Aly Bocar expressed the desire that ECA should play a role of assistance and counsel to the subregional organizations. He deplored that the criteria for accepting projects and the financing methods often resulted in delays.

118. Mr. Magni (Italy) stated his personal opinion that the economic situation in Africa raised the problem of choosing the appropriate transport technologies.

119. Professor de Bernis said that although the African States already have long experience of planning on a national scale, they know that setting up a coherent planning system could take a great deal of time. This was even truer of planning on the continental scale even though only transport was concerned.

120. Three types of difficulties were met with in all planning:

- There was always insufficient knowledge of the initial situation (especially after the colonial era). Needs are considerable and resources extremely scarce; there is still little administrative staff available;
- All the economic sectors, agriculture, industry, transport are inter-related. The only priority is the need for mutual coherence and for an appropriate sequencing of the development phases. The old theory of the "big push" is still relevant today.
- Financing is doubly external since even the "national resources" depend on external markets. It is Africa's good fortune to have at its disposal an ever-increasing number of African public institutions.

121. These difficulties become still greater when the planning has to be carried on by a supra-national organization.

122. In the face of these facts, the donor countries have had to set up procedures for financing and technical assistance which were no longer derived from the colonial system and were based on thorough co-operation for development, as we would say in France. The Roundtable discussion should make concrete and precise recommendations in this respect.

123. Transport planning should take account of the objectives laid down by the Lagos Plan of Action, the Industrial Development Decade and the African Food Plan. The interfaces could constitute the first priorities:

- the transport means required for implementing local development projects should not be overlooked.

- the connections between regional networks and the siting of industrial units supplying regional markets. The system can only function if the industrial sites are compatible with equilibria in the trading exchanges.

- The interfaces in the Transport and Communications Decade between industries producing the inputs necessary for the maintenance and development of the means of transports.

124. Such planning makes it necessary to arbitrate between projects and all arbitration has a political aspect. However, it can be enlightened by calculations of the motor effects of alternative projects and the systematic search for optimisation in the use of scarce resources. Imagination is all the more efficient if it is soundly based.

125. Mr. Hogg hoped that projects could be grouped together not by mode but by the objectives to be attained in the various sectors. In particular, he emphasized that urban Transport would require greater and greater resources in the future.

126. Mr. Yarrell (United Kingdom) wondered what would become of the numerous national projects mentioned in the programme for phase two.

127. Mrs. Tankeu asked whether one could reasonably expect that the regional projects presented by ECA in compliance with the Lagos Plan of Action and with all the rationality criteria that had been mentioned would have better chances of obtaining external financing. She also thought that the whole financing mecanism should be re-organized.

128. Mr. Eyndhoven (UNDP) suggested that great importance should be attached to training in the areas of maintenance and management in the light of UNDP's experience; he noted that technical assistance and training accounted for less than 0.5 per cent of the programme presented. He stated that he thought co-operation should develop between the African countries in respect of training.

129. Mr. Foalem noted that trans-African highway helped to develop the economies of the subregions they passed through. He raised the important question of the budget that would be available to Africa, in order to permit the setting up of a realistic programme. He emphasized that it would not be possible to draw up a regional plan without obtaining prior guarantees as to its financing, and he gave examples in this context.

130. Mr. Diagne said that progress could be achieved in solving problems of finance by reactivating the funds available to the subregional organizations. (ECOWAS, for example)

131. Dr. Cheka Kanu thought that ECA had the necessary staff and skill to draw up an overall plan placing the accent on the regional aspects of Transport.

132. Mr. Hogg briefly described the efforts made by the World Bank in the area of training and technical assistance.

133. Mr. Adib (IMO) said that many of the difficulties encountered (e.g. port congestion) could be overcome with a little effort. For example, ECA could select a few projects for technical assistance that would solve this type of problem.

134. The Chairman for the session asked the participants to excuse him for speaking again at the end of this long day with the object of trying to summarize the discussion. This had been very closely concentrated on the analyses that had been so clearly made with this morning of both the weaknesses and the strong points of the organization for the first phase of the Transport and Communication Decade and on how this experience could be to good effect for the second phase.

135. People had emphasized both this morning and this afternoon the capacity of the African States to examine their own experience and to draw retroactive conclusions from this; this was characterized in particular by a willingness to eliminate a number of projects that did not appear sufficiently consistent with the objective as a whole.

136. Both this morning and this afternoon the considerable share assumed by Africa itself in the financing of the Transport and Communication Decade had been emphasized. This was a clear proof of its political will to develop its own system of transport.

137. Three themes could briefly summarize today's discussions: opinions on the first phase and the project for the second phase, a large number of observations on various aspects of planning, and lastly, of course, a beginning of a dialogue between those who have to build the transport system and those who have various resources to help them do this.

138. With regard to the opinions on the first and second phases, there appeared first of all to be a desire to obtain precise information; even though these may be difficult to obtain or set up, they were necessary to permit a judgement to be made about what had occurred and what must occur. Apart from the number of the projects and their classification, questions had been raised on whether things had been going better or worse since 1978. Professor Adedeji had drawn attention to the fact that there was no overall reply to this problem and that it was necessary to examine the various aspects of the transport system in order to try to determine progressively point by point, what had improved or what may have regressed. In this context, emphasis had been laid on the increased number of roads in the rural zones and on the very important fact that traffic density very rapidly reaches much higher levels on a new road than was forecast at a project stage. It was emphasized that these transport systems were developing faster at national than at regional level, and a number of reasons were given for this: in particular, these were the objectives of national development and the fact that international links are more expensive and are usually left to be financed from the outside. Mention had also been made of the extension and the modernization of a number of railway lines and of the modernization of certain ports.

139. Several participants have also noted that a form of planning, while of an embryonic and insufficient nature, was emerging; but that the mergence of this planning, even if it was embryonic, was already an important event in itself. This was a positive comment on the first phase: one of you said "we have moved from the artisanat stage up to planning". This question

was one of the essential themes in the discussion on the second phase. Substantial progress in this planning can be expected.

140. But it is also true that the picture is not entirely positive and does not leave grounds for too much optimism. Attention has been drawn to the deterioration of certain elements in the transport system caused by the worsening of the terms of trade, the increase in the cost of machinery or spare parts that have had to be imported at a time when exports were declining. This phenomenon was all the more serious for the fact that the industries producing the inputs necessary for this maintenance have not been built. These difficulties justified rehabilitation programmes. It has been said that certain subregional organizations had set up funds for financing road maintenance.

141. Several people have also deplored the fact that insufficient attention had been given to the training of Management staff and had asked that greater efforts should be made in this respect in the second phase.

142. These comments explain the common wish that in the second phase special attention should be paid to problems of maintenance and of operation - problems that may be called short-terms ones, but which do indeed constitute one of the aspects of the rationality of the overall problems.

143. Statistics do not allow us to make an exhaustive judgement on the efficiency of a transport system. We do not have satisfactory criteria for commenting on the level of maintenance of the existing equipment or assessing the overall efficiency of the transport system as such, and not only the cost-effectiveness of a given railway and still less the effectiveness of this transport system for the economy as a whole. Independently of the statistics, a qualitative judgement is necessary. Similarly it has been emphasized that remodeling a transport system takes time, that the effects of a new transport system do not appear from one day to the other, and that consequently assessment can only be made over a long period. This is bound to create new difficulties; it would be easier to correct mistakes if we had available the basis for a more immediate judgement.

144. It has also been said that we should be thinking not only of the efficiency of the transport system but also of the efficient use of the resources that it has been possible to make available to finance the remodeling of the transport system as a whole: we know that we cannot content ourselves with assessing a financial package by its total amount; we know that the conditions under which this finance is made available are also of first importance.

145. This said, some people have also thought that the programme for the first phase was too ambitious. Some people have drawn attention to the excessive optimism for this first phase; did you think from this that insufficient attention has been given to the relationship that should exist between increased traffic and the volume of investment, which takes

the form of financial burdens and debts; this takes us indirectly back to the problem of time and quality mentioned above.

146. This question is directly linked to the problem raised by one of the participants: "To increase trade, it is first necessary to have increased local production". In other words, one cannot think of a transport system in isolation from the general system of the economy.

147. This comment on the first phase has also been made by some people and in some cases by the same people on the second phase; some of you have even said that, from this point of view, the second phase is worse than the first. They have said that the problem is not to know whether each of the projects listed is consistent with the overall objectives, but whether there is internal coherence for all the projects, and whether the projects are consistent with the resources available. It was on this point that an extensive discussion took place: some of you were astonished that many projects on the national level were included which did not appear to answer, in the immediate future, the needs of the regional prospects which had become apparent elsewhere.

148. Other people have also emphasized that the first phase had been carried out somewhat precipitately and this had led to the decisions that had not been fully thought through; and that consequently, when the second phase was prepared, it would be necessary to set up a number of criteria and to take the time to work it all out consistently.

149. The second group of problems which has interested the participants, and which can only be outlined here, concerns planning. In this respect, the considerable number of comments that have been made constitute a set of consideration which will certainly have to be examined in greater details. The discussion on phase 2 showed once again that it was not necessarily by paying attention to detail that the problems could be solved more quickly. Most of the discussion was on interface problems. The contributions all revealed phenomena that are apparently contradictory, but which the planners must take account of in a consistent manner. Mention has been made of the overall objectives arising from the Lagos Plan of Action and in particular of the need for development, as Mr. Vincent put it, to escape from the colonial system and all the intermediary objectives. (the problem of road/rail competition, the problem of air transport for the land-locked countries); emphasis was also made on the need to co-ordinate maintenance and new construction (building anew, but also not allowing what already exists to deteriorate). A third type of co-ordination concerns the national and international aspects; some participants said that there were many too many national projects in phase two, and others said that these national projects were also necessary to permit the economies to develop, and consequently, to arrive at a situation of reciprocal trade. It is perhaps in this context that we should think of the problems of the land-locked countries, although it deserved greater consideration in view of its considerable importance on the African continent. But it is also on this national and international level that the problem of the rural roads arises, as well as that of urban

transport, which only one speaker mentioned. Another idea that must be borne in mind is that we should not allow ourselves to be tempted by projects of too systematic a nature for the continent as a whole. But execution of the projects requires the implementation of concrete projects in various countries, and these projects will have an impact on local developments, either through a motor effect, or by providing access to land-locked areas. This is a question which certainly deserves further consideration. Another problem mentioned is the co-ordination between different modes of transport: this will be discussed tomorrow. It is also in this context that the co-ordination of short-term, medium-term and long-term projects has been constantly presented. This is another way of saying all that has gone before. In this respect, Mr. Merlin's attempt to classify the different projects gives us a useful reference pattern which may facilitate our discussions.

150. But we must also think about co-ordinating transport with the economy as a whole. The integration of Africa cannot be limited to the integration of its regions by modes of transport; we must also think about the co-ordination of its agriculture, its industry and its development as a whole, and transport has its place within this ensemble.

151. Naturally, planning takes us on problems of financing. It has been emphasized that there can be no finance if there is no project that has been considered sufficiently sensible, but equally there can be no plan if one does not know what funds are available. This question is absolutely basic to the discussion that took place between the participants; an example was given to interconnection that was included in the plan because it was necessary for a series of project, but for which finally funds were not made available. By this very fact, the plan losses its rationality. However, a plan - and here we are in the middle of a very important contradiction - is a package of dated objectives and resources that are consistent with these objectives and can achieve them. The problem is not just to decide on the technical methods for establishing priorities, eventhough this problem must certainly not be ignored and much was said about it. The discussion which arose between those who have to build their transport system and those who, outside Africa, have the resources necessary for this construction is a very important one. It constitutes the third section of our day's work.

152. Questions have indeed been asked since this morning on those who have been called the financing bodies; some people have said that they give priorities to bilateral relationships. Mr. Vincent, who takes this view, moderated it somewhat, at least in respect of the EEC development fund. It was also said that the developed countries do not appear to be convinced either of the usefulness of the objectives of the Decade or of the usefulness of the objectives of the Lagos Plan of Action. This could explain why the international community has contributed relatively little, leaving Africa to finance its transport projects itself. Those who know the points of view of the donor countries better, even if they are only speaking on a personal basis, have replied that if the objectives

of the Transport and Communications Decade had been more consistent with those of the Lagos Plan of Action or if the objectives of the Decade had been more coherent, it would have been easier to finance them. But a new question would then arise: if the donors did not commit themselves on the basis of the Lagos objectives, and did not commit themselves on a regional or continental basis then would it indeed be certain that even if these criteria were complied with, financing would be easier? This is a central question for this Roundtable.

153. It has been also mentioned that the developed countries raise a whole series of legal difficulties on whose resolution they condition their aid, which considerably slows down the financing process. It has been said that programmes, even though they may be essential in respect of training, have been waiting for 10 years. Thus while other speakers have emphasized that it is a pity that more attention is not paid to training problems, there is obviously a useful dialogue that can be started here, if we only take into account these two declarations which, though they had been made in this same hall at an interval of only a few minutes, appear to be completely contradictory. We can thus understand why an urgent appeal has been made to the developed countries to approach the question of their funding in a new way, so that it can match the requirements of the African situation.

154. It has also been said that the African Development Bank also has been financing relatively few regional projects. The President of the Arab Bank for Economic Development in Africa has declared that it was prepared to extend its action in this respect.

155. We thus have the beginning of a dialogue on this point even if the dialogue is difficult. The main question is the best way to set up a rational procedure, bearing in mind that there is no plan without a guarantee of funding. It was then that someone spoke of reactivating the funds set up in the subregional organizations and also of reinserting the purely African financing institution into the whole discussion process on the preparation of the plan and the working out of the funding of the second phase of the Transport and Communications Decade.

156. There was also a very brief mention of the difficulties of technical assistance in the context of this dialogue.

157. Another question has been present all day long. What is the role of the Economic Commission for Africa in all this? Professor Adedeji has said that this is not a supranational body. To those who wondered what purpose was served by this Roundtable, he replied that if it had not been intended to consider the results of this Roundtable as an input for improving the second phase, it would have been completely illogical to lay out the financial and human resources necessary to organize this Roundtable.

158. But it is clear that as the day went on, a sort of internal dynamic was developing in the Round-table. More and more participants suggested that ECA should play a more active role, a role of planning and

arbitration. Mention was made of a political arbitration function, of the need for contacts with the national planners, and the need for contacts with the financial institutions. Mention was made of co-ordination of the subregional organization. Someone also talked of the expert capability in ECA for developing regional projects and for preparing a number of regional transport projects or projects for technical assistance. There was a degree of unanimity in considering that the Economic Commission for Africa must play an important role in this continental planning process. Finally, the participants expect that it should succeed in setting up this dialogue which would make it possible to guarantee both funding at medium term and the increasing rationality of this planning, even if it is fully realized that this planning and this rationality will only be developed little by little at the cost of trial and error.

Agenda item 6

159. Mr. Tchouta Moussa of ECA presented document DEC/TRANSCOM/RT/5 entitled "Problems in the choice of technology and modes of transport; -objectives, constraints and profitability." He underlined the importance of this problem in the restructuring of the African transport system, especially with regard to the selection to be made between road and railway. He first describe the factors which influence the transport demand, beginning with geographical conditions (communications with land-locked countries, exchanges between African countries, transport within the limits of a State), and continuing with economic conditions (agriculture, industry, mining, etc.). Each transport mode was then examined, with the object of determining its own characteristics in terms of costs, maintenance needs, technological level, energy problems, transported tonnages. The review of the characteristics of the various transportation modes showed that these modes were complementary, resulting in the need for setting up national and subregional master plans integrating all transport modes. After underlining the difficulty of making traffic forecasts in developing countries, he said that the benefits taken into account in profitability analyses depend on whether the point of view of the community or that of the carrier is taken into account.

160. When making a choice between several alternative transport modes or technologies, it is essential to take account of the wishes expressed by States. Road transport is highly flexible and its initial cost is the lowest, but this does not mean that preference should be given to road transport in all cases. Railway transport is very reliable, its operating costs are low, but its investment costs are considerable. Therefore, a minimum tonnage is absolutely necessary. Coastal traffic entails only small infrastructure investments and would therefore deserve to be developed. As regards river transport, it would be desirable to develop those areas which could be used without entailing substantial infrastructure costs.

161. He then laid emphasis on the need for avoiding the ruinous competition between parallel routes, for giving priority to rehabilitation

and upgrading of existing infrastructures, for making gradual investments, and for avoiding under-capitalization which is always very expensive. He underlined the utmost importance of maintenance and training problems and the need for considering their cost right from the project design stage. When two transport modes exist, it is necessary to place them in the same initial conditions with regard to operation, investment financing and rate fixing, with the object of favouring the mode which is least costly to the community.

162. Mr. Merlin then introduced the main concepts contained in a document prepared by Mr. Wickham, a university professor who considered that a certain level of competition between parallel transport modes could be fruitfully developed on the major corridors for the purpose of inciting these modes to adapt themselves to local conditions, and for reducing costs. He laid emphasis on the high cost of transfers between different modes. Low-cost transport was presented as a prerequisite to the integration of African countries. In spite of the interconnection problems it raises, the railway seems appropriate in this respect. Whenever several technologies can be envisaged, it should be borne in mind that the most up-to-date is generally that which would entail the highest degree of dependence on developed countries. Mr. Wickham stated that the first phase did not provide for a sufficient number of engineering, training and technical assistance projects and this deficiency might explain why it had proved relatively unsuccessful. He underlined that, under the conditions currently prevailing in many African countries, it was very difficult to estimate the financial profitability of any project, and that no other operation would be more profitable than that consisting in completing a project that has already been undertaken. He also demonstrated that it was preferable to isolate the large projects with good profitability prospects, rather than mixing them up into a larger non-competitive whole, and he recalled that it was necessary to carry out profitability studies which facilitate any search for external financing. Then he raised the problem of how the various aspects of profitability, in the broadest sense of the term, could be taken into account. This is a difficult task, for it is impossible to make accurate forecasts, and he added that, in his opinion, priority should be given to transport of agro-food products.

163. Mr. Van de Laar said that the analyses were carried out on a mode-by-mode basis and that it would be more appropriate to use an approach by corridors. He therefore expressed the wish that forthcoming documents be established on an integrated multimodal basis. This regional planning exercise would prove highly profitable in the long term.

164. Mr. Hogg insisted on the need for complying with the laws of the market, especially with respect to competition between alternative transport modes whose respective advantages and drawbacks are taken into account by the clients. He then laid emphasis on the great impact of certain regulations imposed by the governments on all the economic factors involved. He regretted that the documents did not resort to cost and risk analyses, and he expressed his disappointment with regard to the content of the documents. In his opinion, both governments and international organizations should strongly promote training actions.

165. Mr. Merlin expressed his total agreement with the selection of an analysis based on transport corridors. He stressed that only governments could make the most important decisions, and that the decisions made by users were on an ad hoc basis. He added that governments had however to make their decisions in the light of market conditions which consequently matched the users' desires subject to good-quality analyses. He also considered that there were too few cost and traffic analyses in the documents and that ECA would have to work very hard to analyse the data on a corridor basis. Furthermore, he thought that the energy problems had not been examined with sufficient care and that when several solutions using different transport modes were examined, it was necessary to indicate not only the investment, operating and energy costs, but also which type of energy will be used, in order to take it into account in the economic comparison, for example by assigning it a price higher than that in the market if this energy is scarce (petroleum, for example).

166. Mr. Hogg stated that many studies had been carried out on the energy problem and that 5 per cent of the related costs could easily be saved. As concerns railway electrification, he stated that the high investment cost could entail some risks if the traffic did not reach a sufficient level.

167. Mr. Diagne said that it would be desirable to avoid too academic discussions, and that Africa needed everything: roads, railways, ships, etc. He added that, in any case, a selection had to be made to avoid any wastage of funds and that this could be achieved only by planning, hence the need for national, subregional and regional master plans to be prepared in collaboration with regional organizations, and which should lead to concrete recommendations.

168. Dr. Sakho stated that the realities of Africa should be borne in mind, regardless of the many economic theories which are available. It is necessary to work in line with the Lagos Plan of Action. He then expressed his agreement with a project analysis based on transport corridors but he also expressed doubts about the possibility of their achievement before the Conference of Ministers, to be held in February 1984.

169. Professor de Bernis observed that political and economic aspects could not be dissociated in this discussion and that there were not two rationalities, i.e., a political one and an economic one. In view of the considerable needs and limited financial resources, an optimum allocation should be sought for these funds. In addition, he indicated that the words "prices" and "markets" had a number of different meanings and that it was therefore necessary to specify which of them is used. Africa has acquired long experience of the market, as this has been operating up to now and whose tremendous efficiency has led to an outward-looking African economy. When reference is made to the market, a certain number of conditions are supposed to be fulfilled, although such may not be the case in reality. With respect to transport, the African market is not a traditional one: if only one transport mode is made available to him, the user cannot chose and the developments which affect the community

cannot be approached in terms of marginalistic economics as a result of their structuring effect. In order to transform the entire economic system, it is necessary to chose a flexible mode of action (e.g., container transport with the objective of avoiding transfers). Moreover, the structuring effects have to be taken into account. While it is known that the road will modify the market it is not known how.

170. Professor de Bernis added that one should use reference prices very carefully, since price forecasts were always most uncertain. He then underlined the need for defining rationality criteria enabling the scarce resources available to be allocated in such a way that the proposed objetives could be met. The only certainty is that it will be necessary to set up operational structures and ensure that they will be used by a sufficient traffic. He expressed his agreement with the importance to be given to corridors, as a basis for industrialization and agricultural development. This task assigned to ECA is quite considerable since planning also presupposes the preparation of alternative projects.

171. Mr. Hogg said that such a transport system would have to be selected in the light of its impact on cost reduction. However, he added that prices could be biased by government regulations which led to selecting one mode rather than another. In this respect, the railway can be promoted by subsidies, whereas the road can take advantage of the fact that the user does not bear the actual cost of its use.

172. He emphasized that what was really missing in the document was a real analysis of the cost of transport and he added that satisfactory results could be obtained through well-known methods of analysis. He stated that the World Bank, which always carries out an analysis after each operation, had noted that the opening of a new corridor was always the subject of a very strong resistance to change.

173. Mr. Van de Laar specified that the analysis by corridor which he had proposed could not be readily carried out but that it would, in the long term, give another dimension to ECA's work. He said that the cost of such an analysis should not be too high and that costs need not be defined with a high degree of accuracy: indeed, what is important is to get an alternative view. Based on the information available it would then be possible to define the means required for implementing the Lagos Plan of Action.

174. Dr. Shaka Kanu stated that he was convinced that something had to be done for providing the interconnection to be used as a basis for integration. He asked all the participants not to lose sight of the fact that it was Africa which was under discussions.

175. Professor Adedeji tried to clarify some misunderstandings. In particular, he made it clear that the subject of discussion was modern Africa and that it was necessary to consider the short and long terms. He stressed that a choice had always to be made and that the price structure always played a leading role in this process. In this respect, he said that

he agreed with Mr. Hogg; that prices should remain flexible. He noted that in many African countries, production prices are dependent on political decisions and that farmers, for example, will not derive any benefit from the improvement of transport modes. He also noted that the choice of energy did not really exist: indeed what can the poorest countries do in this respect? He then recalled that ECA had to finalize the programme for the second phase and expressed the wish that some of the recommendations made during the discussion could be taken into account at the finalization stage.

176. Dr. Oduola requested that the African realities be borne in mind; he recalled that when comparing two modes, it was necessary to take account of all aspects, whether financial or not, including in particular short-term costs, of course, but also wear, spare parts, equipment deterioration and limits imposed on imports. He stated that Nigeria, for example, could not afford a situation of competition between the transport modes and he recalled that not everything is possible in Africa.

177. Mr. Merlin said that he disagreed with the provision of several parallel transport modes on a single corridor. In view of the scarcity of available funds, this policy would not make it obligatory to create any such transport mode wherever nothing exists. He agreed that the existence of a single market resulted in certain inconvenience and added that, in his opinion, a clear cut distinction had to be established between complementary actions and motor actions. On a heavily trafficked corridor, investments are chosen in the light of what already exists. However, if the structures must be thoroughly changed, the traditional forecasting system is no longer appropriate. It should be admitted that traffic is small on the cross links and that, at the initial stage, the transport revenues on these roads will not offset the operating costs. This is why it was considered that in the second phase, priority would have to be given to the existing corridors, without abandoning the restructuration idea.

178. Emphasis was laid on two opinions which could be hazardous:

(a) At present, there is no traffic and it is therefore impossible to envisage the creation of a new transport corridor;

(b) An act of faith has to be done. Therefore, a new corridor will be built without prior justification.

179. He therefore suggested using a new method providing a probability forecast of possible traffic in the long term, based on an analogic method; the method is not very accurate, but it nevertheless provides a spread of values serving to justify or not the proposed project.

180. Mr. Hogg underlined an important aspect of the Lagos Plan of Action: the concept of stimulation of African enterprises. Indeed, in a developing country, about 50 per cent of the total investment concerns the building of the infrastructure itself, which can be commissioned to local contractors, hence generating employment.

181. Mr. Weiss stressed that in general, the methods of economic analysis were not very reliable. He mentioned that the economic rate of return of rehabilitation projects was always high, due to the high initial costs. The second phase programme which includes about 1,300 projects did not seem credible to him and he called for a list of priority to be drawn up in order to take account of time constraints.

182. Mr. M'Diaye declared that when two countries decided to create a link between them, the issue was a political one and that the financing problem arose later: the approach is therefore contrary to that used in purely economic projects. He underlined the important role which ECA could play in setting up a series of projects made available to countries and subregions to help them make these political decisions. Moreover, he added that he did not have very much trust in the profitability rates calculated for road projects.

183. Mr. Diagne emphasized that ECA had to acquire the means required for this planning in the future. He then suggested that a second Transport and Communications Decade in Africa be envisaged immediately in order to solve the long-term problems which were identified and discussed within the framework of this Roundtable.

184. Dr. Sheka Kanu stated that, in his opinion, there were not only political decisions but also social aspects which should not be neglected.

185. Professor Adedeji concluded the discussion by saying that it had been very fruitful.

Agenda item 7

186. Mr. Tchouta Moussa presented the ECA document on agenda item 7 entitled "What must be done in future? The link necessary between transport and new activities negociated development planning." He raised the question of project selection methods in order that the programme submitted be more attractive to donors. Analysis of the results of the first phase showed that regional projects has been neglected due to the application of the profitability criterion.

187. Mr. Tchouta Moussa demonstrated the links existing between a main objective of the Transport and Communications Decade: to structure an integrated transport system, and the objective of the Industrial Development Decade: to integrate the African economy. The indispensable complementarity of industry and transport prohibits consideration of autarkic transport development.

188. He pointed out that the present structure of African transport hampers the integrated economic development of the continent and the establishment of a broadened African market. The examination, according to an overall approach, of the economic future within this new space, is what he called "negotiated development of the african territory".

189. He recalled that a territorial development policy can succeed only if the population and therefore the Governments concerned actively participate in prior negotiations. The search for a transport system adapted to the spatial exigencies of the various economic sectors leads to identifying major regional inter-connecting axes.

190. Lastly, Mr. Tchouta Mousse insisted on the fact that economic profitability must no longer be the only approved criterion, since the industrialized countries in their time developed their transport infrastructures without it.

191. Mr. Gelineau then presented the document he had prepared on the same subject. The document analyzes the scenario of a new link between two or several African countries (trans-Sahel link, for example). He described a methodology worked out for the study of such a case and announced that Mr. Giri would thereafter illustrate it by a specific example.

192. Mr. Gelineau began by regretting that the experts are bound in a vicious circle: transport economists do not succeed in justifying a project in itself, while production economists do not succeed in justifying a new plant in the absence of transport facilities. Drawing on the theoriticians of spatial economics (see Thunen, Lock, Isard), he proposed setting up from the start a transport assumption including a price schedule. New activities that create added value and transport flows can then be determined. The economic calculation thereafter serves to estimate the overall profitability of the project and to test the initial transport assumption. In the event that the conclusion of the study is positive, it remains for the States to agree on the spatial distribution of the basic industrial projects, which is the purpose of "negotiated development of the territory".

193. Mr. Giri then outlined the study of a hypothetical Dakar-Niamey link he made for the Sahel Club. He researched how economic development based on this new route could be structured, sector by sector, using the example of the glass industry.

194. He pointed out that economic development tends to structure itself along existing routes, and therefore that the extraverted transport system tends to reinforce itself over time. Conversely, the creation of internal links induces benefits for inland communities, from which coastal communities can also profit.

195. Mr. Van de Laar asked why the second phase projects had not been reviewed from this angle, and whether the programme changes to be prepared by the Governments could not be analyzed in this way.

196. Professor Adedeji replied that the ECA secretariat must remain cautious in making recommendations to member States.

197. Mr. Van de Laar spoke again to propose that the Roundtable issue a recommendation requesting that ECA undertake the programme analysis in the manner just described.

198. Mr. Yerrell offered to support this recommendation and asked the African participants if they agreed to support it.

199. Professor Adedeji asked the assembly whether the interesting study on the Trans-Cahel link did not elicit other comments.

200. Mr. Eynchoven indicated that during the 1970's he had not been able to get approval of a project in a similar case because of a lack of political will to implement it.

Agenda item 8

201. Mr. Tchouta Moussa presented the ECA document on agenda item 8 entitled "Exchange of views on the determination of priorities, justification and co-operation in the prospective search for financing". He proposed to reflect, in the light of the experience of the first phase, on the problems raised by the financing of the second phase programme.

202. He recalled that, despite the Pledging Conference in New York in 1979 and four consultative technical meetings, the external resources mobilized had been small, contrary to the promises of the developed countries.

203. Other than the improvement of project presentation methods and the organization of new technical consultative meetings, what action should be taken to achieve more substantial financing of the Decade?

204. Mr. Tchouta Moussa suggested at this point that new financing procedures be developed by international special funds, that the breakdown of the financial outlay consider the respective benefits of the recipient countries of the investment, and lastly, that very long-term productive investments should enjoy highly favourable financing terms.

205. Professor Adedeji reminded the audience that he had not been asked to subscribe to commitments but to give ideas to aid in resource mobilization.

206. Mr. Van de Laar suggested that ECA should concentrate its efforts on land-locked countries as well as regional projects and projects with a profitability half-way between non-profitable construction and maintenance, preferred by donors. He proposed a classification in the budget presentation.

207. Mr. Said Aissi (OPEC Fund) described the special efforts made by OPEC in favour of transport in Africa and expressed concern about the possibility of continuing this effort in the future, since other sectors had urgent needs.

208. He noted that particularly serious economic problems had reduced the saving capacity of a large number of African countries, that the agricultural sector showed great potential and that ECA's task is to find the optimum mix between what must be done and what could be done in time and space.

209. Mr. Said Aissi stated two of his concerns:

(a) the benefits of training are often cancelled by the poor professional environment,

(b) transfers of technology can be effected only to prepared recipient milieux.

210. Mr. Said Aissi felt that ECA should play a much more committed part in seeking financing and proposed for this purpose that ECA organize a meeting with various financing institutions in order to continue the dialogue. He supports accordingly what Dr. Ayari had said: BADEA, ADB and OPEC are prepared to meet with ECA to undertake discussions on the various financing mechanisms. The presentation of projects to be submitted to financing sources must be revised.

211. He wished to receive strong guidelines and committed options from ECA and said that he was available to find solutions.

212. Professor Adedeji recalled that the lack of transport reduces the effect of investments drastically.

213. Mr. Rylander (Sweden) outlined the experience of SIDCC and its success in motivating the leaders of the member countries by means of independent, rapid and punctual work.

214. Dr. David Macha, Executive Secretary of the Kagera Basin Organization, spoke of the experience of the regional Kagera basin group. In his view, the justification of the construction of a railway may be the simple fact of providing an outlet to the sea. This clearly illustrates, in his opinion, that African projects are political and, in fact, the colonial powers did not justify their railways economically, but they are today an unquestionable asset for Africa.

215. Professor de Bernis considered as dramatical that Africa is constantly obliged to resort to new financing for its transport system. He suggested ways of getting out of this rut:

(a) the creation in Africa of a transport industry equipped by means of supplier credits obtained from developed countries interested in selling capital goods;

(b) the African financial institutions would relay the supplier credits and Africa would conquer its autonomy.

216. Mr. N'Diaye wondered about the advisability of creating subregional special funds supplied by the member countries of finance multinational projects; he was opposed to the proliferation of institution of that kind.

217. He thought, however, that the financing of maintenance projects required special machinery which he equated with the financing of revolving funds by commercial banks.

218. He stated that regional and subregional projects were essentially political projects and that for a political project, a political financing source.

219. Dr. Sakho asked that institutions should show pragmatism and flexibility for priority vital projects. He insisted on the need for Africa to acquire a transport industry in order not to return in the one hand what had been obtained with the other.

220. Mrs. Tankou drew attention to the situation of transit countries which bear a very heavy load to operate their systems. Donors should consider the difficult economic situations of land-locked countries so as to set aside soft financing terms for them. In the instance of the port of Douala which serves four countries of the subregion, these countries were not able to mobilize the necessary funds to take part in this project of which they are the beneficiaries. But Cameroon alone cannot bear the financial burden, unless the grant terms are particularly soft.

221. Mr. Diallo (UNIDO) pointed out that the Transport and Communications Decade was part of the programme of the Industrial Development Decade. Africa contains enough raw materials that can be processed into equipment necessary for building the transport infrastructures of the Decade programme, and this moves in the direction of self-sustaining development.

222. Mr. Pellegrin (Canada) felt that ECA was the most qualified entity to select a small number of key projects aimed at the integration of the transport infrastructures of the African countries.

223. He pointed out that there was no obstacle to the financing of regional projects provided they were divided into national lots.

224. Mr. Diagne felt that a revolution should be made in the financing field as the prevailing procedures in the African financial institutions are still of the colonial type, and ADB should play a leading part in this process.

225. Dr. Stacher (Austria) spoke of the KBO project: a political project having trouble finding financing because even the member countries have other priorities. In fact, he expressed his disagreement with the World Bank's position in the railway field.

226. At the Chairman's request, Professor de Bernis made a very brief summary of the day's discussions, because of the lack of time.

227. He assembled the discussion themes around four main questions: the form of economic rationality we use; the need to pursue and intensify the studies that have to be done; the importance of integrating all economic activities; and, lastly, the problem of funding.

228. With regard to the first question, on the economic rationality to be adopted, there was no question of reopening the long discussion held

that morning firstly on the place for the market and price mechanism and secondly on political decisions. He confined himself to five brief conclusions, which appeared to emerge from the discussion as a whole.

229. Firstly, it was always dangerous to distort the price system arbitrarily by government decisions based on questionable reasoning. A whole series of specific examples had been given on that point by participants including the Chairman. But there was no reason either that the prices of all the activities should correspond exactly, in every case, to the cost of that activity. The price structure must make it possible to solve the overall problem of the most efficient allocation of resources in terms of the objectives.

230. Secondly, it was necessary that every measure should be taken to ensure that decisions on prices are not distorted and frustrated in the interests of special groups. We have seen how measures that should have improved the situation of local people have been misappropriated by transporter groups many examples of this type could be quoted.

231. Thirdly, when structural changes were concerned, cost calculations were of course much more complex and also less accurate than where it was only a problem of adapting existing markets. In that respect, Mr. Merlin had suggested that a distinction be established between complementary actions (in which case the structure of the markets need not be modified and only cost and users' behaviour must be taken into account) and motor actions (in which case the operation of the market can certainly be discussed; in some cases, the traditional profitability requirement even impeded the creation of certain major "corridors" or the adoption of certain structural measures which might have prove positive in the longer term).

232. Fourthly, prices undoubtedly played an important role in the decision-making process, especially where transport modes, technologies and energy sources were concerned. But one should remain realistic: when a country is both poor and economically weak, its liberty of choice is relatively reduced and the options they are obliged to chose may lack rationality in certain cases.

233. Fifthly, it was underlined that the existing economic models, especially those of the developed countries, were based on the structure of developed countries and that they are not interinsincally adapted to the case of the African countries. In this respect, the question was raised of whether the cost/benefit method actually made sense. It had been demonstrated that its straightforward application could lead to unexpected results and that its use within a less rigid framework made it possible reach whichever conclusion was desired, which amounted to saying that it could not be regarded as fully reliable. This highlighted the need for taking account of the specific features of the African situation, it being understood, as recalled by the Chairman, that this should not be determintal to a more integrated approach of the problem.

234. Hence the need for continuing and refining the studies which had already been carried out. It was obvious that a large number of studies had already been completed and that the works which served to introduce the Roundtable bore testimony of the considerable work already been done in the field. However, three types of comments were made:

Firstly: an important aspect was to show that even if a region was devoid of industries and of systematically organized transport, a rational method was however available to study what should a transport system adapted to the particular region consist of. Messrs Merlin and Giri gave a very concrete example to illustrate that idea, showing that all the elements of industrial and agricultural development made up one of the means enabling the analysis to be carried out, which coincides with the very appropriate expression used by the ECA, i e. that of a "negotiated space development". In that respect, it was of course necessary to bear in mind some of the experiments carried out on other continents and which were recalled on this occasion. Even if a project looked beautiful, it might not be implemented.

Secondly: it was also said that regional multimodal integration studies should be carried out in greater detail on a same corridor, for example; some participants stated that several competing transport modes could be envisaged on a single corridor, while others expressed a more moderate opinion. When the traffic was already heavy, that probably improved the profitability and the rationality of the whole, but when the traffic was light and nothing existed, it would perhaps be wiser to begin with only one transport mode, with the object of saving scarce resources.

Lastly, thirdly there had been a debate even though it was not very thorough, to ascertain whether regional or international relations constituted more political projects than the national projects. Some even alluded to a political financing of political decisions through a return to bilateral assistance but it was also emphasized that regional projects had very important economic and social impacts. The example was given of African products sold to countries in the North and then repurchased by other African countries. The development of a regional transport system at that level would certainly be a step of the highest and immediate economic rationality.

235. The third group of questions consisted in qualifying these studies in a certain way. Evidently, a consensus seemed to emerge clearly on the fact that transport studies must not separate transportation from the complex of the economic structures of the region or the continent and, from that view point, a whole series of examples were given which need not be repeated. It was shown that in certain cases there were crop losses due to a lack of transport; it was emphasized that the reaction of agriculture to the transformation of the transport system was slower than the reaction of industry, and that, consequently, according to the roads involved,

transport density forecasts were more quickly outdated or, on the contrary, reached more slowly. The need to support certain industries was underlined as being necessary from the standpoint of the transport industry and emphasis was laid once more on the problems of training.

236. Two very concrete proposals were formulated: on the one hand, and there seemed to be some consensus on the subject, that second phase projects of the Transport and Communications Decade be re-examined in the light of the analysis proposed by the ECA secretariat in part four of document DEC/TRANSCOM/RT/6 (pages 28 to 32). On the other hand, it was recommended explicitly that, within the scope of the objectives of the Lagos Plan of Action, ECA should be encouraged to ensure that it had the planning resources which would consider all aspects of agriculture, industry, and transport. It was pointed out that that involved a very long-term process which should be carried out step by step and in compliance with the necessary sequence, which would inevitably continue well beyond the current Decade.

237. In the matter of financing, it might be sufficient to identify very briefly a few high points: the problems of crisis were dwelt on, hence insistence on the fact that choices had to be still stricter and therefore still more limited, it being understood that stricter choices were harder to make. Once more, a distinction was made between regional and national projects, considering that both could be the subject of different types of financing or assistance, but without strict connections between regional projects and multilateral assistance or between national projects and bilateral assistance. Second observation: there was general consensus on satisfaction concerning what was said by the bankers who operate directly in Africa, either the Arab Bank, or the African Development Bank, or the OPEC Fund, with respect to the broader commitment they planned to make for the financing of the African transport system, and to call on these institutions to augment that contribution. The third point which seemed to stand out and which shall certainly require subsequent reflection, was both a warning against the proliferation of financing institutions, and the indicator of gaps for which there were still today no adequate institutions. For example, it was pointed out that specialized institutions could be necessary to finance the maintenance and rehabilitation of a certain number of existing but dilapidated transport routes.

238. Lastly, it should be noted that, although special claims were advanced in favour of land-locked countries, it was shown that the costs to transit countries should also be considered. There again it was worth stressing that, rather than considering land-locked countries separately (and several examples of that were given), the region in which the land-locked and transit countries were located should be viewed as a whole, and overall thought should be given to a common financing method to which all concerned would be then committed.

Agenda item 9

239. Following a brief exchange of views between Professor Adedeji, Mr. Van de Laar and Mr. Diagne, it was agreed that the final report on the Roundtable would comprise two parts.

1. Minutes of the meetings

2. A series of recommendations to the States and to ECA

240. The report was considered during the closing meeting, held on Friday, 24 June, at 5.30 p.m.